

Estimates of:

- 1) Local Option Sales and Use Tax
- 2) Recordation and Grantor's Tax

to be distributed to localities
during Fiscal Year 2021

Preface

Since the 1960's, the Department of Taxation has been providing the local governing body of every county, city, and town in the Commonwealth with an estimate of its distributive share of certain revenues for the following fiscal year. This report complies with the Code of Virginia §15.2-2502 requiring that such estimates be provided within fifteen days following adjournment of the Virginia General Assembly.

Enclosed are the Fiscal Year 2021 estimates for the local distributions of the Local Option Sales and Use Tax and the State Recordation and Grantor's taxes.

The Code of Virginia § 22.1-93, requires the Department of Education to provide, within fifteen days following final adjournment, "...estimates to be used for budgetary purposes relative to the Basic School Aid Formula..." Estimates of the Fiscal Year 2021 local distributions of the State Sales and Use Tax for Public Education are transmitted to the localities by the Department of Education.

During the 2020 session of the General Assembly, legislation was enacted that will alter the manner in which recordation and grantor tax distributions are made to the localities.

Senate Bill 890 revised Section 58.1-816 of the Code of Virginia as follows:

§ 58.1-816. Distribution of recordation tax to cities and counties.

- A. Effective October 1, 1993, ~~twenty~~ \$20 million dollars of the taxes imposed under §§ 58.1-801 through 58.1-809 ~~which that~~ are actually paid into the state treasury, shall be distributed among the counties and cities of ~~this~~ the Commonwealth, *except for counties and cities located in Planning District 8*, in the manner provided in subsection B ~~of this section~~. Effective July 1, 1994, such annual distribution shall increase to ~~forty~~ \$40 million dollars. ***Effective July 1, 2021, such annual distribution shall be \$20 million.***

In addition, also during the 2020 session of the General Assembly, House Bill 1726, beginning in fiscal year 2021, would dedicate the first \$20 million of the annual distribution under Section 58.1-816 to the Hampton Roads Regional Transit Fund (HRTTF). Any remaining amounts would be apportioned and distributed quarterly to the localities outside the Hampton Roads Transportation District.

The Appropriations Act (House Bill 30) for Fiscal Years 2021 and 2022 in Item 273 – Financial Assistance to Localities distributes \$20 million in each of fiscal years 2021 and 2022. Given that House Bill 1726 would dedicate the first \$20 million of such amount to the HRRTF, there would be no remaining amounts to distribute to the other localities effective July 1, 2020.

The estimates contained herein should not be interpreted to be a State guarantee that each locality will receive the amounts indicated. Rather, they should be viewed only as estimates for each locality that are consistent with the latest economic assumptions utilized in forecasting State General Fund revenues.

Each local governing body is urged to verify the reasonableness of the estimates based on the expert knowledge of its officials and to track news releases pertaining to the developments with the Commonwealth's Budget and the Census data. If there are any questions concerning this publication, please feel free to contact the Department's Office of Revenue Forecasting at (804) 371-4372.

Craig M. Burns
Tax Commissioner

LOCAL OPTION SALES AND USE TAX

The State collects and distributes the Local Option one percent Sales and Use Tax.¹ Actual distributions are made to every county and city based on the locality in which the tax was collected.

¹As provided under the Code of Virginia §58.1-605 and §58.1-606.

**Actual FY 2019 Local 1%
Option Distribution Sales
and Use Tax** **Estimated FY
2021 Local Option
Sales and Use Tax**

Locality	(\$)		% of State
Counties			
Accomack County	4,721,028	0.3652%	5,066,099
Albemarle County	17,038,808	1.3180%	18,284,214
Alleghany County	958,820	0.0742%	1,028,902
Amelia County	821,928	0.0636%	882,005
Amherst County	2,895,601	0.2240%	3,107,247
Appomattox County	1,385,301	0.1072%	1,486,556
Arlington County	43,737,164	3.3831%	46,934,016
Augusta County	6,229,458	0.4819%	6,684,784
Bath County	822,596	0.0636%	882,721
Bedford County*	6,395,201	0.4947%	6,862,642
Bland County	378,149	0.0293%	405,788
Botetourt County	3,006,691	0.2326%	3,226,457
Brunswick County	629,576	0.0487%	675,593
Buchanan County	1,797,470	0.1390%	1,928,851
Buckingham County	939,146	0.0726%	1,007,790
Campbell County	5,696,248	0.4406%	6,112,600
Caroline County	2,239,107	0.1732%	2,402,768
Carroll County	2,043,840	0.1581%	2,193,230
Charles City County	894,389	0.0692%	959,761
Charlotte County	744,107	0.0576%	798,496
Chesterfield County	52,253,701	4.0419%	56,073,046
Clarke County	1,143,253	0.0884%	1,226,817
Craig County	177,908	0.0138%	190,912
Culpeper County	8,254,625	0.6385%	8,857,975
Cumberland County	535,600	0.0414%	574,748
Dickenson County	754,936	0.0584%	810,116
Dinwiddie County	1,937,984	0.1499%	2,079,636
Essex County	2,043,601	0.1581%	2,192,973
Fairfax County	189,416,588	14.6516%	203,261,492
Fauquier County	10,240,337	0.7921%	10,988,828
Floyd County	958,475	0.0741%	1,028,532
Fluvanna County	1,798,203	0.1391%	1,929,638
Franklin County	5,811,655	0.4495%	6,236,443
Frederick County	14,622,568	1.1311%	15,691,366
Giles County	2,058,996	0.1593%	2,209,493
Gloucester County	4,843,283	0.3746%	5,197,290
Goochland County	3,200,294	0.2475%	3,434,211
Grayson County	493,336	0.0382%	529,395
Greene County	2,104,027	0.1627%	2,257,815
Greensville County	1,326,476	0.1026%	1,423,431

	Actual FY 2019 Local 1% Option Distribution Sales and Use Tax		Estimated FY 2021 Local Option Sales and Use Tax
Locality	(\$) % of State		
Halifax County	3,653,305	0.2826%	3,920,334
Hanover County	23,219,651	1.7961%	24,916,830
Henrico County	68,322,852	5.2849%	73,316,730
Henry County	4,453,254	0.3445%	4,778,753
Highland County	129,610	0.0100%	139,083
Isle of Wight County	3,001,635	0.2322%	3,221,031
James City County	11,164,276	0.8636%	11,980,299
King and Queen County	224,598	0.0174%	241,015
King George County	2,588,925	0.2003%	2,778,155
King William County	1,384,961	0.1071%	1,486,191
Lancaster County	1,831,938	0.1417%	1,965,839
Lee County	1,365,780	0.1056%	1,465,608
Loudoun County	84,955,148	6.5714%	91,164,719
Louisa County	3,900,439	0.3017%	4,185,531
Lunenburg County	517,951	0.0401%	555,809
Madison County	1,069,473	0.0827%	1,147,644
Mathews County	512,224	0.0396%	549,664
Mecklenburg County	5,663,852	0.4381%	6,077,836
Middlesex County	1,189,385	0.0920%	1,276,320
Montgomery County	13,351,507	1.0328%	14,327,400
Nelson County	1,282,909	0.0992%	1,376,680
New Kent County	1,913,712	0.1480%	2,053,589
Northampton County	1,524,230	0.1179%	1,635,640
Northumberland County	741,989	0.0574%	796,223
Nottoway County	1,740,734	0.1346%	1,867,969
Orange County	3,694,833	0.2858%	3,964,897
Page County	2,129,352	0.1647%	2,284,991
Patrick County	1,214,620	0.0940%	1,303,399
Pittsylvania County	2,716,954	0.2102%	2,915,543
Powhatan County	3,281,803	0.2539%	3,521,678
Prince Edward County	3,434,849	0.2657%	3,685,910
Prince George County	2,693,920	0.2084%	2,890,824
Prince William County	69,044,465	5.3407%	74,091,087
Pulaski County	4,423,149	0.3421%	4,746,448
Rappahannock County	591,761	0.0458%	635,014
Richmond County	1,604,183	0.1241%	1,721,436
Roanoke County	12,537,448	0.9698%	13,453,840
Rockbridge County	2,904,718	0.2247%	3,117,030
Rockingham County	7,473,006	0.5780%	8,019,226
Russell County	1,997,255	0.1545%	2,143,239

	Actual FY 2019 Local 1% Option Distribution Sales and Use Tax		Estimated FY 2021 Local Option Sales and Use Tax
Locality	(\$)	% of State	
Scott County	1,725,296	0.1335%	1,851,402
Shenandoah County	4,679,170	0.3619%	5,021,182
Smyth County	2,512,345	0.1943%	2,695,978
Southampton County	705,745	0.0546%	757,329
Spotsylvania County	18,800,534	1.4542%	20,174,709
Stafford County	14,794,109	1.1443%	15,875,445
Surry County	526,822	0.0408%	565,329
Sussex County	1,096,031	0.0848%	1,176,143
Tazewell County	5,902,657	0.4566%	6,334,096
Warren County	4,814,765	0.3724%	5,166,688
Washington County	7,517,803	0.5815%	8,067,297
Westmoreland County	1,062,303	0.0822%	1,139,949
Wise County	3,291,784	0.2546%	3,532,389
Wythe County	4,687,790	0.3626%	5,030,431
York County	10,762,951	0.8325%	11,549,641
Cities			
Alexandria City	28,550,480	2.2084%	30,637,302
Bristol City	4,429,197	0.3426%	4,752,937
Buena Vista City	386,637	0.0299%	414,897
Charlottesville City	11,800,880	0.9128%	12,663,434
Chesapeake City	41,999,454	3.2487%	45,069,293
Colonial Heights City	8,207,347	0.6348%	8,807,241
Covington City	1,427,893	0.1104%	1,532,261
Danville City	8,979,737	0.6946%	9,636,087
Emporia City	1,744,982	0.1350%	1,872,526
Fairfax City	11,826,813	0.9148%	12,691,263
Falls Church City	5,186,922	0.4012%	5,566,046
Franklin City	1,894,914	0.1466%	2,033,418
Fredericksburg City	12,038,059	0.9312%	12,917,949
Galax City	2,302,131	0.1781%	2,470,400
Hampton City	15,825,035	1.2241%	16,981,724
Harrisonburg City	14,179,556	1.0968%	15,215,973
Hopewell City	2,065,465	0.1598%	2,216,434
Lexington City	1,144,316	0.0885%	1,227,956
Lynchburg City	15,922,001	1.2316%	17,085,777
Manassas City	7,545,198	0.5836%	8,096,695
Manassas Park City	2,205,329	0.1706%	2,366,522
Martinsville City	2,043,703	0.1581%	2,193,082
Newport News City	25,899,935	2.0034%	27,793,022

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Locality	(\$) % of State		
Norfolk City	32,878,088	2.5432%	35,281,224
Norton City	1,512,233	0.1170%	1,622,766
Petersburg City	4,053,112	0.3135%	4,349,364
Poquoson City	670,012	0.0518%	718,985
Portsmouth City	7,465,932	0.5775%	8,011,634
Radford City	1,031,650	0.0798%	1,107,055
Richmond City	36,645,609	2.8346%	39,324,122
Roanoke City	22,283,941	1.7237%	23,912,727
Salem City	7,337,594	0.5676%	7,873,916
Staunton City	4,493,895	0.3476%	4,822,364
Suffolk City	11,331,802	0.8765%	12,160,070
Virginia Beach City	65,602,064	5.0744%	70,397,073
Waynesboro City	5,546,073	0.4290%	5,951,448
Williamsburg City	4,717,477	0.3649%	5,062,289
Winchester City	9,951,036	0.7697%	10,678,380
<i>*Includes Bedford City.</i>			

RECORDATION AND GRANTOR TAX DISTRIBUTION

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